Form 9-331 C
(May 1963)

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR
## GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.: U-42223

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WORK: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. TYPE OF WELL: OIL WELL [ ] GAS WELL [X] OTHER — SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Federal

2. NAME OF OPERATOR: Inland Fuels Corp.

9. WELL NO.: #23-3

3. ADDRESS OF OPERATOR: 2121 South Columbia, Tulsa, Okla. 74114

10. FIELD AND POOL, OR WILDCAT: Wildcat Cisco Area ~~Cisco Springs~~

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface: NE. SE. Section 23, T 20S, R 23E, S.L.M. 500' fr. E-line and 2340' fr. S-line
At proposed prod. zone:

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: NE. SE. Sec. 23-20S-23E S.L.M.

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*: Approximately 5 miles NE. of Cisco, Utah

12. COUNTY OR PARISH: Grand

13. STATE: Utah

| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) | 16. NO. OF ACRES IN LEASE | 17. NO. OF ACRES ASSIGNED TO THIS WELL |
|---|---|---|
| 500' | 1840 ac. | 160 |
| **18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.** | **19. PROPOSED DEPTH** | **20. ROTARY OR CABLE TOOLS** |
| 1400' | 2200' Entrada | Rotary |

21. ELEVATIONS (Show whether DF, RT, GR, etc.): 4687' grd; 4697' K.B.

22. APPROX. DATE WORK WILL START*: July 15, 1979

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|---|---|---|---|---|
| 12¼" | 8 5/8" | 24.00# | 150' | 100 sks circ to surf. |
| 7 7/8" | 4½" | 10.50# | Thru pay zones. | Cemented to 200' above Kd. |

It is planned to drill a well at the above location to test the gas production possibilities of the sands in the Dakota, Cedar Mt., and Morrison formations. The well will be drilled to a point which is near the top of the Entrada formation or to commercial production, whichever is at the lesser depth. The well will be drilled with rotary tools, using air for circulation. The surface casing will be set at about 150 ft., and cemented with returns to the surface. A blowout preventer with hydraulically operated blind and pipe rams will be installed on top of the surface casing; and a rotating head will be used on top of the blowout preventer. Fill and kill lines (2") will be connected below the blind rams. Any gas encountered will be flared at the end of the blewie line, and roughly checked for volume thru 2" line after the pipe rams have been closed. A float valve will be used in the bottom drill collar at all times. A prognosis for the well is attached.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED [signature] TITLE President DATE April 10, 1980

(This space for Federal or State office use)

PERMIT NO. 43-019-30631 APPROVAL DATE 4/15/80

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED
APR 15 1980
DIVISION OF OIL, GAS & MINING

APPROVED BY THE DIVISION OF OIL, GAS, AND MINING
DATE: 4-15-80
BY: M. J. Minder

*See Instructions On Reverse Side

Oil and Gas Drilling

EA #373-80

United States Department of the Interior
Geological Survey
2000 Administration Bldg.
1745 West 1700 South
Salt Lake City, Utah 84104

Usual Environmental Analysis

Date: June 2, 1980

Operator: Inland Fuels Corporation Project or Well Name and No.: 23-3

Location: 500' FEL & 2340' FSL Sec.: 23 T.: 20S R.: 23E

County: Grand State: Utah Field/Unit: Cisco Springs

Lease No.: U-42223 Permit No.: N/A

Joint Field Inspection Date: May 13, 1980

Prepared By: George Diwachak

Field Inspection Participants, Titles and Organizations:

| | | |
|---|---|---|
| George Diwachak | Environmental Scientist | U.S.G.S. |
| John Connor | Petroleum Engineer | U.S.G.S. |
| Elmer Duncan | Surface Protection Specialist | BLM |
| Hart Gleason | Consultant | Inland Fuels Corp. |
| Leonard Lewis | Cat Skinner | Galley Construction |

Related Environmental Analyses and References:

(1) BLM - Moab, Book Mountain Unit Resource Analysis

lj 6/18/80

Noted - G. Diwachak

1. A drill pad 180' wide x 250' long including a reserve pit would be constructed. Approximately 500 feet of new access road, averaging 16' driving surface, would be constructed and approximately 2.5 mile of existing road may be regraded from a maintained road. 2.0 acres of disturbed surface would be associated with the project. Maximun disturbed width of access road would be limited to 20'.

   Final equipment and pit alignment will be determined when a drilling rig is secured. Adjustments to the alignment reported in the APD may be necessary, however the operator was instructed to utilize safe drilling techniques, a minimum 125 feet blewie line and to confine all equipment and pits to the approved pad disturbances.

2. Drilling.

3. Waste disposal: A chemical toilet will be used for human waste - Garbage and trash would be confined to a fenced trash pit and burned and buried upon cleanup of wellsite.

4. Traffic.

5. Water requirements would involve travel over unimproved roads from Cisco Springs. Since air drilling techniques would be used water requirements are minimal.

6. Completion.

7. Production equipment would be confined to the disturbed area of the drill pad as outlined in the APD.

8. Transportation of hydrocarbons were not requested with the APD. The operator reports that flowline facilitiess would be applied for if commercial quantities of hydrocarbons are expected.

   Details of the proposed action are described in the Application for Permit to Drill.

Environmental Considerations of the Proposed Action:

Regional Setting/Topography: The location is within the Cisco Desert, flat to rolling hills grading to the talus flanked Book Cliffs.

PARAMETER

A. Geology

   1. Other Local Mineral Resources to be Protected: None.

   Information Source: Mineral Evaluation Report, Mining Report.

2. Hazards:

a. Land Stability: Location and access road to be built on Mancos shale which is stable provided slopes are moderate and moisture content is low.

Information Source: Field Observation.

b. Subsidence: None expected.

Information Source: Field Observation.

c. Seismicity: Seimic risk for the area is low. No impacts expected.

Information Source: Rocky Mountain Association of Geologists.

d. High Pressure Zones/Blowout Prevention: No high pressure zones expected. BOP system is detailed in APD.

Information Source: APD, Mineral Evaluation Report.

B. Soils:

1. Soil Character: Topsoil would be stripped and stockpiled requiring revegetation upon abandonment.

Information Source: BLM, Field Observation.

2. Erosion/Sedimentation: Erosion would increase especially during periods of precipitation, however considering the lack of summer precipitation in the area, impacts would be minimal.

Information Source: Field Observation, APD.

C. Air Quality: Wellsite is in a Class II Attainment Area. Drilling activities and vehicle operations would decrease air quality temporarily from exhaust emissions and fugitive dust. Considering short drilling time, impacts would be minimal.

Information Source: Field Observation.

D. Noise Levels: Ambient noise levels would increase temporarily from machinery and equipment operation, affecting wildlife and livestock in a distributional sense.

Information Source: Field Observation.

E. Water Resources

1. Hydrologic Character

a. Surface Waters: No perennial drainages exist in area. Siltation to the Colorado River could occur. Water for drilling would be obtained from Cisco Springs to the north in Section 9, T20S, R23E. A State of Utah Permit is necessary.

Information Source: Field Observation.

b. Ground Waters: Commingling of aquifers is possible, but could be reduced by an adequate casing program. No fresh water is expected.

Information Source: Field Observation, Mineral Evaluation Report.

2. Water Quality

a. Surface Waters: No perennial waterways nearby. Spill potential to live surface waters is minimal.

Information Source: Field Observation.

b. Ground Waters: Insignificant impacts are expected since air drilling techniques would be employed.

Information Source: Field Observation, APD.

F. Flora and Fauna

1. Endangered and Threatened Species Determination

Based on the formal comments received from the BLM on June 2, 1980, we determine that there would be no effect on endangered and threatened species and their critical habitat.

2. Flora: Plants in the area are of the salt desert shrub varieties with mixed grasses and Russian thistle predominating at the wellsite. Vegetation would be removed by pad construction increasing non-point erosion and decreasing soil fertility. Complete revegetation would be necessary upon abandonment.

Information Source: Field Observation, BL,.

3. Fauna: Wildlife would be disturbed temporarily in a distirbutional sense. Habitat destruction would be minimal.

Information Source: Field Observation.

G. Land Uses

1. General: Grazing and hydrocargon exploration are major activities in the area. Recreation is minimal. Well operations would slightly reduce grazing potential of area.

Information Source: Field Observation.

2. Affected Floodplains and/or Wetlands: N/A.

Information Source: Field Observation.

3. Roadless/Wilderness Area: N/A.

Information Source: BLM.

H. Aesthetics: The operation does not blend in with natural surroundings, however considering the short duration and magnitude of drilling operations in the area, this action would pose minimal impacts to area aesthetics. Painting any permanent equipment a color to blend with the surrounding environment would reduce visual impacts.

Information Source: Field Observation.

I. Socioeconomics: The remoteness of the area limits any socioeconomic impacts in Grand County, Utah. Most services and personnel would commute from Grand Junction, Colorado (50 miles east) which is presently experiencing substantial growth due to increased regional hydrocarbon and exploration activities.

Information Source: Field Observation.

J. Cultural Resources Determination: Based on the formal comments received from the BLM on June 2, 1980, we determine that there would be no effect on cultural resources.

Information Source: BLM.

K. Other: None.

L. Adequacy of Restoration Plans: The restoration plans meet the minimum requirements of NTL-6. Additional restoration recommendations been supplied by the BLM.

Information Source: APD, BLM, Field Observation.

Alternatives to the Proposed Action:

1. Disapproving the proposed action or no action - If the proposed action is denied, no action would occur, the existing environment would remain in its present state, the lessee/operator would not realize any return on investments and the public would be denied a potential energy source.

2. Approving the project with the recommended stipulations - Under federal oil and gas leasing provisions, the Geological Survey has a responsibility to approve mineral development if the environmental consequences are not too severe or irreversible. Permanent damage to the surface and subsurface would be prevented as much as possible under USGS and Surface Management Agency supervision. Environmental impacts would be significantly mitigated.

Adverse Environmental Effects:

1. If approved as proposed:

   a. About 2 acres of vegetation would be removed, increasing and accelerating erosion potential.

   b. Pollution of groundwater systems could occur with the introduction of drilling fluids into the aquifer(s). The potential for interaquifer leakage and lost circulation is ever-present, depending on the casing program.

   c. Minor air pollution would be induced on a temporary basis due to exhaust emissions from rig engines and support traffic.

   d. The potential for fires, leaks, spills of gas and oil or water exists.

   e. During construction and drilling phases of the operation, noise and dust levels would increase.

   f. Distractions from aesthetics during the lifetime of the project would exist.

   g. Erosion from the site would eventually be carried as sediment in the Colorado River. The potential for pollution to Danish Wash and other area non-perennial drainages would exist through leaks and spills.

   h. If hydrocarbons would be discovered and produced, further development of the area could be expected to occur, which would result in the extraction of irreplaceable resource, and further negative environmental impacts. These impacts include the cumulative loss of wildlife habitat due to the areas necessary for roads, pipelines, drillsites, and transmission lines. These actions may disrupt wildlife social behavior and force habitat relocation over an extended period of time. In addition, the cumulative effects of non-point erosion become substantial in a developing field, primarily those located near perennial streams where siltation and sedimentation are critical to aquatic life cycles.

2. Conditional Approval:

   a. All adverse impacts described in section one above could occur, except that painting any permanent production facilities a color to blend with surroundings would reduce visual impacts.

Recommended Approval Conditions:

Drilling should be allowed, provided the following mitigative measures are incorporated into the proposed APD and adhered to by the operator:

1. See attached Lease Stipulations. None

2. See attached BLM Stipulations.

3. A State of Utah Water Use Permit or an agreement with private sources is necessary, ~~prior to APD approval~~.

4. All permanent production facilities would be painted a color to blend with the natural surroundings.

5. No pit toilet will be used. A chemical toilet will be used during drilling operations.

Controversial Issues and Conservation Division Response:

None.

We have considered the proposed action in the preceding pages of this EA and find, based on the analysis of environmental considerations provided therein, no evidence to indicate that it will significantly (40 CFR 1508.27) impact the quality of the human environment.

Determination:

I determine that the proposed action (as modified by the recommended approval conditions) does not constitute a major Federal action significantly affecting the quality of the human environment in the sense of NEPA, Section 102 (2)(C).

DISTRICT ENGINEER
Signature & Title of Approving Official

JUN 25 1980
Date

## SELECTED REFERENCES


Anderson, B.A. 1979, Desert Plants of Utah: Cooperative Extension Service, Utah State University, Logan, Utah. 146 p.

Bureau of Land Management, 1979, Final Initial Wilderness Inventory, Utah: U.S. Department of the Interior, BLM, Salt Lake City, Utah, 50 p.

Bureau of Land Management, 1979, Interim Management Policy and Guidelines for Lands Under Wilderness Review: U.S. Department of the Interior, BLM, Washington, D.C. 32 p.

Keller, E.A., 1976, Environmental Geology: C.E. Merril Publishing Company, Columbus, Ohio. 488 p.

Rocky Mountain Association of Geologists, 1972, Geologic Atlas of the Rocky Mountain Region: Denver, Colorado. 331 p.

Wilson, LeMoyne, et.al, 1975, Soils of Utah: Agricultural experiment Station, Bulletion 492, Utah State University, Logan, Utah. 94 p.

Zarn, Mark, 1977, Ecological Characteristics of Pinyon-Juniper Woodlands on the Colorado Plateau: U.S. Dept. of Interior, Bureau of Land Management, Technical Note 310, Denver, Colorado 183 p.

IN REPLY REFER TO

3100
(U-603)

# United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Moab District
Grand Resource Area
P. O. Box M
Moab, Utah 84532

May 29, 1980

Memorandum

To: Oil & Gas Office, USGS Conservation Division,
Salt Lake City, Utah
From: Area Manager, Grand Acting

Subject: Inland Fuels Corporation
Federal 23-3, Lease U-42223
NE/SE Section 23, T. 20 S., R. 23 E. SLB&M
Grand County, Utah

On May 13, 1980, a representative from this office met with George Diwachak, USGS, and Hart Gleason agent of Inland Fuels Corp. for an inspection of the above referenced location. Subject to the attached conditions, I am approving the surface management portion of the Application for Permit to Drill.

The archaeological requirement has been fulfilled on this location. No threatened or endangered flora or fauna are indicated in the area.

Please forward the enclosed information to Inland Fuels Corp.

Enclosures (2)
1-Reclamation Procedures
2-Seed Mixture

CONSERVE AMERICA'S ENERGY

*Save Energy and You Serve America!*

# STANDARD STIPULATIONS FOR OIL & GAS EXPLORATION

Contact this office at least 24 hours prior to beginning construction of access road and pad.

Stockpile the surface 12 inches of topsoil in a field on the south west corner of the location.

The upper banks (uphill side) of all cuts will be rounded during construction of the access road and pad.

Notify the BLM District Archaeologist if cultural material from subsurface deposits is exposed during the operation.

The trash pit will be at least six feet deep and fenced with fine mesh wire during drilling operations.

The "blooey" line will be centered and directed into the pit.

If production is obtained, the access road will be upgraded to BLM specifications for long-term roads as outlined in the surface use standards section of the "Oil and Gas" pamphlet (joint BLM and USGS publication).

If production is obtained, all production facilities will be painted "desert tan" or a similar color approved by the Grand Resource Area Manager.

Rehabilitation of the site and access road will be accomplished in accordance with the enclosed restoration procedures.

Production facilities and pipeline route are approved on this location under lease rights.

Topsoil will be windrowed along the north side of 500 feet of new access road.

A pit toilet will be allowed. If unsanitary conditions develop on or off the pad only chemical toilets will be used on other location.

The disturbed surface area can be seeded any time after the well is drilled, the area cleaned up and the surface recontoured. If the seeding is unsuccessful, additional seed will be drilled into the site during the fall of 1980.

# RECLAMATION PROCEDURES IN GRAND RESOURCE AREA

1. Disk or rip pads and access roads.

   a. Overlap passes in order to insure complete treatment.

2. Contour pads and access roads.

   a. Lay berms into centers.

   b. Use cut material for fill areas.

   c. Lay stockpiled surface soil over top of pads and spread evenly.

   d. On highly erosive soils, it may be more beneficial to grade slopes to reduce steepness.

   e. Do not smooth pads out, leave a roughened surface. ~~On steeper slopes and slopes with clayey soils scarify or serrate the ground in order to increase water infiltration and reduce~~ erosion.

3. Water bar roads where required by this office.

| | | | |
|---|---|---|---|
| * | 2% | Grade | - 200 ft. intervals |
| | 2-4% | Grade | - 100 ft. intervals |
| | 4-5% | Grade | - 75 ft. intervals |
| | 5% | Grade | - 50 ft. intervals |

   * Actual spacing may vary according to soil stability. Lighter textured soils will require more frequent water bars. When natural drainage ways are present, water bars are to be constructed to make maximum use of them. Plan operations so that natural drainage ways do not become blocked.

4. Seed roads and pads in the fall (Oct. through mid-Dec.).

| SPECIES | | LB/ACRE |
|---|---|---|
| **Grasses** | | |
| Oryzopsis hymenoides | Indian Rice Grass | 1 |
| Hilaria jamesii | Curley Grass | 1 |
| **Forbs** | | |
| Sphaeralcea coccini | Globe Mallow | 1 |
| **Shrubs** | | |
| Artiplex confertifolia | Shadscale | 1 |
| Ceretoides lanata | Winter Fat | 1 |
| | | 5 |

FROM: DISTRICT GEOLOGIST, ME, SALT LAKE CITY, UTAH

TO : DISTRICT ENGINEER, [redacted], SALT LAKE CITY, UTAH

SUBJECT: APD MINERAL EVALUATION REPORT LEASE NO. U-42223

OPERATOR: INLAND FUELS WELL NO. 23-3

LOCATION: NE ¼ NE ¼ SE ¼ sec. 23, T. 20 S, R. 23 E, SLM

GRAND County, UTAH

1. Stratigraphy: PROPOSED STRATIGRAPHY REASONABLE:

| | |
|---|---|
| MANCOS SH | 0 |
| DAKOTA SS | 1297 |
| CEDAR MOUNTAIN FM | 1400 |
| MORRISON FM (BRUSHY BASIN MEMBER) | 1490 |
| (SALT WASH " ) | 1770 |
| CURTIS- SUMMERVILLE FORMATIONS | 2020 |
| ENTRADA SS | 2100 |
| TD | 2200 |

2. Fresh Water: NONE ANTICIPATED

3. Leasable Minerals: OIL OR GAS IN DAKOTA SS (1297'-1400'), CEDAR MTN FM (1400'-1490') OR MORRISON FM (1490'-2020').

4. Additional Logs Needed: LOGGING PROGRAM SUFFICIENT

5. Potential Geologic Hazards: NONE ANTICIPATED

6. References and Remarks:

Signature: Kenneth J Stut Date: 1-MAY-1980

Glenn

Inland Fuels
23-20S-23E
#23-3

Memorandum

To: District Oil and Gas Engineer, Mr. Edward Guynn

From: Mining, Supervisor, Mr. Jackson W. Moffitt

Subject: Application for Permit to Drill (form 9-331c) Federal oil and gas lease No. _____

1. The location appears potentially valuable for:

   ☐ strip mining*

   ☐ underground mining**

   ☑ has no known potential.

2. The proposed area is

   ☐ under a Federal lease for _____ under the jurisdiction of this office.

   ☑ not under a Federal lease under the jurisdiction of this office.

   ☐ Please request the operator to furnish resistivity, density, Gamma-Ray, or other appropriate electric logs covering all formations containing potentially valuable minerals subject to the Mineral Leasing Act of 1920.

*If location has strip mining potential:

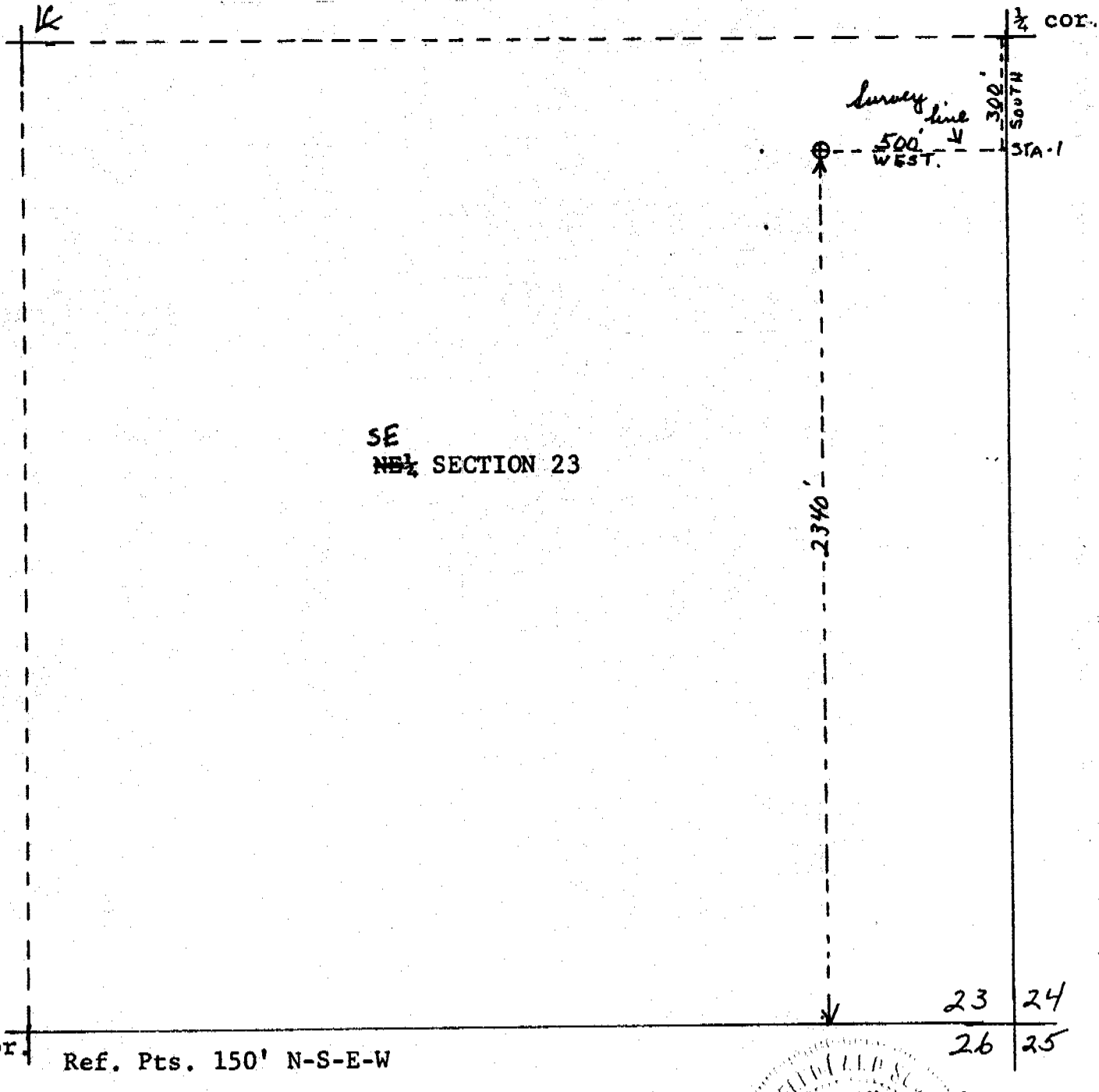
Surface casing should be set to at least 50 feet below the lowest strip minable zone at _____ and cemented to surface. Upon abandonment, a 300-foot cement plug should be set immediately below the base of the minable zone.

**If location has underground mining potential:

The minable zones should be isolated with cement from a point 100 feet below the formation to 100 feet above the formation. Water-bearing horizons should be cemented in like manner. Except for salines or water-bearing horizons with potential for mixing aquifers, a depth of 4,000 feet has been deemed the lowest limit for cementing.

Signed Allen L. Vance

LOCATION PLAT FOR
INLAND FUELS CORPORATION
FEDERAL #23-3 WELL
NE. SE. SEC. 23-20S-23E.
(500' fr. E-line and 2340' fr. S-line)
ELEVATION: 4687' Grd.




I, Sherman D. Gardner, do hereby certify that this plot was plotted from notes of a field survey made under my direct responsibility, supervision and checking on March 16, 1980.

Scale: 1" = 400'
Date: April 8, 1980

Sherman D. Gardner
Registered Land Surveyor

PLAT NO. I

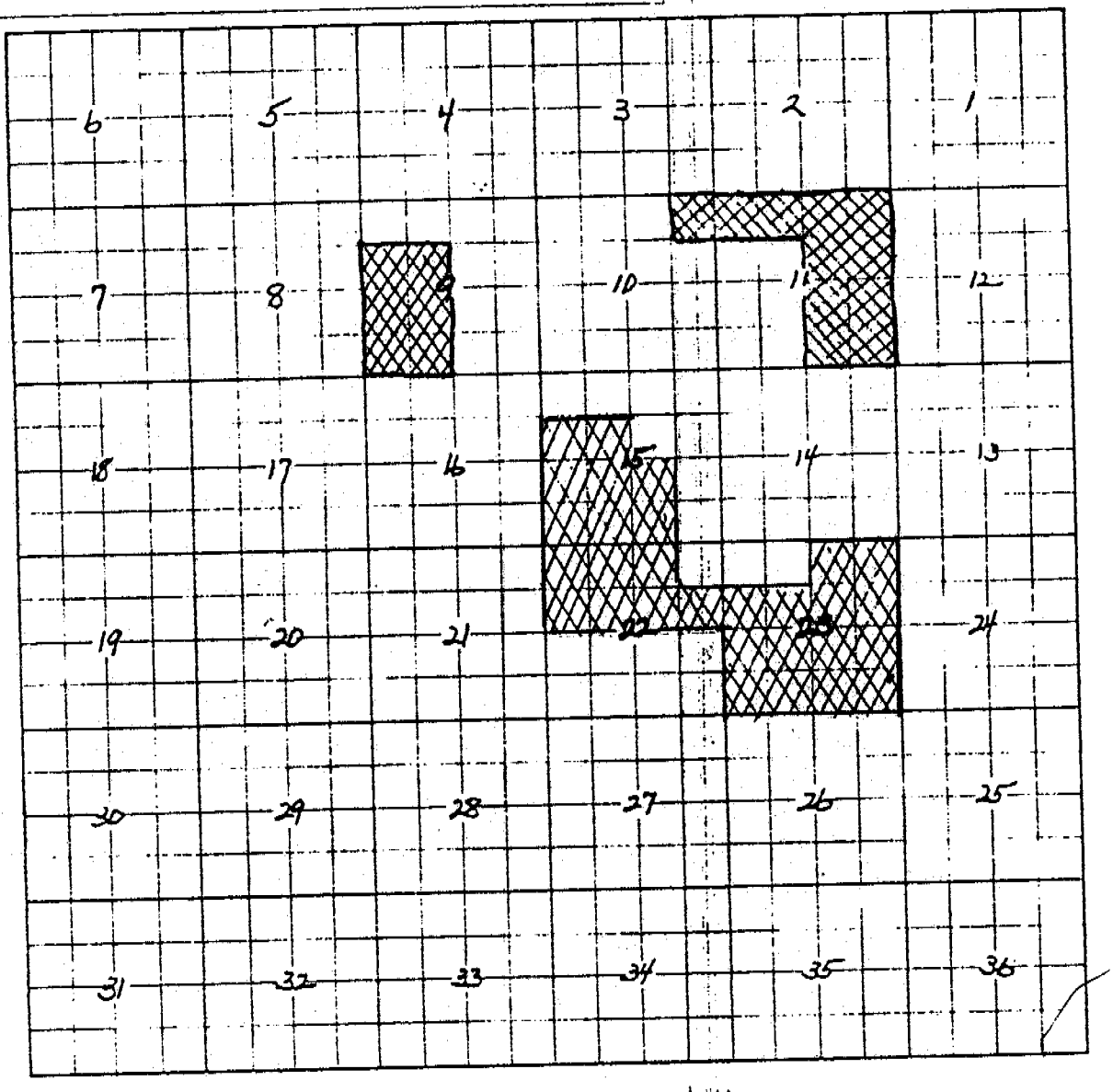
894 ROBERT A. MARTIN, INC. TULSA 1, OKLAHOMA TOWNSHIP PLAT (SCALE 1 IN. = 1 MI.)

State

TOWNSHIP 20S RANGE 23E COUNTY Grand County STATE Utah

REMARKS: Lease #U-42223

COMPANY Inland Fuels Corp.
2121 South Columbia
Tulsa, Oklahoma 74114




RECEIVED
APR 15 1980
DIVISION OF
OIL, GAS & MINING

PROGNOSIS FOR
INLAND FUELS CORP.
FEDERAL #23-3 WELL

Location: NE. SE. Section 23, T 20S, R 23E, S.L.M., Grand County, Utah (2340' from S-line and ' from E-line)

Elevations: 4687' grd; 4697' K.B.

Surface Casing: 150' of 8 5/8", 24.00#, K-55, R-3 casing set and cemented with 100 sks cement w/3% CaCl; with returns to surface. The surface hole (12¼") will be drilled to 150 ft. K.B. and will be no more than 1° deviation.

Expected Formation Tops:

| Formation | Depth to Top | Thickness | Datum |
|---|---|---|---|
| Mancos | Surface | 1297' | 4697' K.B. |
| Dakota * | 1297' | 103' | 3400' |
| Cedar Mountain * | 1400' | 90' | 3297' |
| Morrison (Brushy Basin) * | 1490' | 280' | 3207' |
| (Salt Wash) * | 1770' | 250' | 2927' |
| Curtis-Summerville | 2020' | 80' | 2677' |
| Entrada | 2100' | — | 2597' |
| Total Depth | 2200' | | |

* Formations with possible hydrocarbons in paying amounts.

1. It is planned to drill a 12¼" surface hole for the surface casing down to a depth of about 150 ft. and set 8 5/8 inch casing with approx. 100 sks of cement with returns to the surface. A casing head or flange will be mounted on top of the surface casing and a blowout preventer with blind and pipe rams (hydraulic) will be mounted on top of the blowout preventer. A blewie line, at least 125 ft. long, will then be attached to the rotating head and extended into the reserve pit. B.O.P. will be tested to 2000 lbs. before drilling below surface casing.

2. a 7 7/8" hole will then be drilled below the surface casing, using air for circulation. A flare will be maintained at 500' and below. This will insure that no gas will be missed. The air drilling will

also minimize the damage to the hydrocarbon reservoir. No toxic gases have ever been encountered in this area and none are expected.

3. Samples of the cuttings will begin at 500'. 30-ft. samples will be taken from 500' to 1200', and then 10-ft. samples will be taken from 1200' to total depth.

4. It is planned to drill the well to a depth which is approximately 100 feet below the top of the Entrada formation unless good commercial flow of gas is obtained above this depth.

5. If a high gas flow (several million cubic feet) and/or when the total depth of the well is reached, electric logs will be run. Prior to running logs, high viscosity mud (not less than 100 vis.) will be pumped into the hole to provide control of the gas and to provide a conductive medium for the logs. A dual-induction-laterolog will be run from bottom to the top of the hole, and a gamma-density and compensated neutron porosity log will be run from the bottom to a point which is 150' above the top of the Dakota formation. No toxic gases or high pressure zones are anticipated.

6. If good production (over 750 MCF) is obtained, 4½" O.D., 10.50#, K-55, R-3 new casing will be run and cemented conventionally with sufficient R.F.C. cement to cover 200 ft. above the top of the Dakota formation. The production zone will then be perforated, 2 3/8" O.D. tubing run, and completed conventionally.

7. It is anticipated that the drilling of the well will require less than one week.

W. Don Quigley

W. Don Quigley
Consulting Geologist
Suite 440
57 West South Temple
Salt Lake City, Utah 84101

Form: DQ-1-79

# N T L - 6  P L A N  R E P O R T

For

Well Name: Inland Fuels Corporation - Federal #23-3

Location: NE. SE. Sec. 23, T 20S, R 23E, S.L.M., Grand County, Utah

1. Existing Roads: (See attached Maps)

A. Well Location: (See Plat #1)

Reference Stakes: 150' N-S-E-W

Perimeter Stakes: As above. Stakes outline maximum perimeter of well pad.

B. Route and Distance to Well Site From Reference Point: (See att. maps)
From the E. Cisco Exit on I-70, the site is 4½ miles along secondary and unimproved roads on Cisco Mesa.

C. Access Roads (Identify secondary roads to be used): (See att. maps)
The Cisco Mesa road going NW. from the E. Cisco Exit is used for the first 2 miles. At a point where the old abandoned railroad bed crosses this road, an old road (now used) takes off to the southwest. This road is followed for a distance of approximately one mile; then a secondary new road recently built to the Jacobs #24-2 well will be used for a distance of about 1 mile; then a new road (which is flagged) will be built to the west for a distance of about 1/4 mile to the well site.

D. Roads Within 3 mile Radius: (See att. maps) The main Cisco Mesa road (first 2 miles) is a county road, is partially gravelled, graded, crowned, and ditched. Recent access roads around the well site have been improved and are crowned and ditched also. The last 2½ miles of road may have to be regraded. The rds are on Mancos soil & topography and is on shale and silt in the low areas and on gravel across the benches. Rd. crosses Cisco Wash and has grades of about 6% on both sides of the wash.
Surface type and conditions:

E. Roads Within 1 mile Radius: (See att. maps) See 1-D Above.
Unused roads within 1-mile of the site are mostly dozed trails (old seis trails) dozed across natural topography and soil. The road base is Mancos shale and soil with some gravel and conglomerate on the bench areas. They are normally about 10 ft. wide.

F. Plans for Road Improvement & Maintenance: The last two miles of road have been widened to a maximum disturbed width of 20' and 16' of travel width are crowned and ditched. The portion on the slopes on the banks

F. of the Cisco Wash hasbeen ditched on the bank side to provide drainage. The rest of the road is on benches and across small washes and has also been ditched on both sides of the road. The road base has been cut to the bottom of several shallow washes. There are about 3 of these washes and the cuts are short (20' or less) and 4' deep at the most.

2. Planned Access Roads: (See att. maps) About 500' of new road will be built across fairly level Mancos terrain by blading a path with a bulldozer and then crowning and ditching with a grader.

(1) Width: Maximum disturbed width will be 20 ft. (16' of travel surface.

(2) Maximum Grades: 6% or less

(3) Turnouts: None needed

(4) Drainage Design: None needed

(5) Location and Size of Culverts, Cuts, and Fills: None needed

(6) Surfacing Material: The road is across Mancos shale and soil which is composed of gravel and silt. No other material will be used.

(7) Gates, Cattleguards, or Fence Cuts: None

(8) All new roads have been flagged as required.

3. Location of Existing Wells: (See Map No. 2 )

(1) Water Wells: None

(2) Abandoned Wells: See Map #2

(3) Temporarily Abandoned Wells: None

(4) Disposal Wells: None

(5) Drilling Wells: None at present

(6) Producing Wells: Several - See Map #2

(7) Shut-in Wells: Three

(8) Injection Wells: None

(9) Monitoring or Observation Wells: None

4. Location of Existing and/or Proposed Facilities:

A. Within 1-mile radius of location show the following existing facilities owned or controlled by lessee/operator:

(1): Tank Batteries: (Size) A tank battery and heater-treater are installed at the #23-2 well about ½ mile to the SW.

(2) Production Facilities: Both the #23-1 well and the #23-2 well are oil wells and have production facilities including tank batteries & pump jacks.

(3) Oil gathering lines: None off the well pads.

(4) Gas gathering lines: None

(5) Injection lines: None

(6) Disposal lines: None

(7) Are lines buried? The production lines on the well pads are wrapped and buried.

B. If new facilities are contemplated, in the event of production, show: (These facilities depend on the outcome of the proposed well and are really unknown at this time.) Show a general proposed plan. (See Plat No. 2)

(1) Are any facilities planned off well pad? None at this time. If the well is a successful oil well, an oil gathering line (3") may have to be laid and connected to the heater-treater and tank battery at the #23-2 well, but this will be proposed later, accompanied with maps, surveys, etc.

(2) Give dimensions of facilities: See Plat #2

(3) Construction methods and materials: Location will be levelled for production equipment. Tank batteries will be placed on a 3-in. gravel pad and surrounded with an 18" dike (15' from tanks). Separators and heater-treaters will be placed on gravel pads or cement bases. Pump jacks will be on cement platforms or on raised dirt and gravel mounds. All pipe lines on the pad will be buried.

(4) Protective measures for livestock and wildlife: All open pits will be fenced with woven wire (sheep) fence (40") and pump jacks or rotating machinery will have guards to prevent danger by moving parts.

C. Plan for rehabilitation of disturbed areas no longer needed after drilling operations are completed: Well site will be cleaned, levelled, and graded for production equipment; pits folded-in or

C. fenced with woven wire, before rig is moved, if full of fluid. The other work will be done within 30 days after well is completed. Whil production ensues, previous areas of well pad not needed for production operations will be restored as in Item 10 below.

5. Location & Type of Water Supply: (See att. maps)

A. Type of Water Supply: Cisco Springs (natural flow) located in Section 9 of T 20S, R 23E. (See Map #3)

B. Method of Transporting Water: The water will be hauled from the spring to the well site by truck along the Cisco Mesa road. This will be approximately 5 miles from the spring to the well site.

C. Is Water Well Planned? No
If so, describe location, depth and formation:

6. Source of Construction Materials:

A. See attached map and describe: None will probably be required, since the well will be drilled during the good weather season. If the well is successful, the last 2½ miles of road will be kept improved and graded. Some gravel may be used to provide easy access during bad weather.

B. Identify if Federal, Indian, or Fee Land: Federal

C. Describe Material: (Where from and how used) The source, amount, type of material, and permit will have to be obtained at a later date, if required. (Possibly from the banks of Cisco Wash)

D. See item 1-C and 2 above.

7. Waste Disposal:

(1) Cuttings: The cuttings will be blown into the reserve pit, and the blewie line will be directed into the cut portion of the pi

(2) Drilling Fluids: In mud tanks; excess put into reserve pit.

(3) Producing Fluids (oil or water) Oil in tanks; water in reserve pit.

(4) Human Waste: Toilet with pit (4' deep) with lime for odor and sanitation control. Will be covered with soil (3' deep) at end of operation.

(prior to commencement of drilling)

(5) Garbage & Other Waste: (Burn pit will be adequately fenced with chicken wire to prevent scattering of debris by wind) Into burn pit, 4'X6'X6' deep) and burned periodically. The burn pit will be approx. 125' from well head.

(6) Clean-up: (See item 10 below) All garbage and unburned debris will be buried by at least 3 ft. of cover after the drilling and completion operations are finished. The unused material and all equipment will be removed from the site and taken to supply yards or to the next drill site, as soon as the well is completed.

8. Airstrips and/or Camp Sites (Describe): None needed.

9. Well Site Layout: (See Plat No. 3)

(1) Describe cuts or fills: No cuts or fills other than for pits.

(2) Describe pits, living facilities, soil stockpiles: Reserve pit is long and narrow as shown, and will be placed in a natural depression on the east side. Excavated material will be piled at the east end of pit. Top soil, mostly gravel (12" deep), will be piled at the north and south ends of the site. Two or three trailer houses will be provided for the supervisory personnel.

(3) Rig Orientation, Pipe rack, Access Road Entrance, etc.: (See Plat #3)

(4) Are Pits Lined? Unlined with 4-ft. banks.

10. Plans For Restoration:

A. If Well is completed: Site will be cleaned, debris removed, pits folded-in or fenced with woven wire if full of fluid, and site levelled for production equipment. All unused portions will be contoured, graded, scarred, and seeded with wheat grass, or acceptable seed mix authorized by BLM.

B. If Well is abandoned:

(1) Clean-up, levelling, folding pits-in, contouring: These items will be done as soon as possible. Clean-up will be accomplished at

B. (1) time rig is removed. The rest of the work should be done within 10 to 60 days after well is completed.

(2) Seeding location and access road: Site will be seeded with crested wheat grass, or with a seed mix suggested by BLM by drilling ½" deep. The ½ mile access road, if no longer needed, will be erased, contoured, seeded, and scarred as above. Water bars will be placed where needed.

(3) Will pits be fenced or covered? If there is any amount of fluid in the reserve pit, it will be fenced with woven wire before rig is released & remain fenced until the fluid drys up & the pit is reclaimed.

(4) Is there any oil in reserve pit?

If so, describe disposal: Should not be any great amount. If there is a large amount, it will be removed prior to covering pit.

(5) When will restoration work be done? As soon as possible. With-in 60 days after equipment is removed if weather and availability of clean-up equipment permit and will be completed within 10 days thereafter.

11. Description of Land Surface:

(1) Topography & Surface Vegetation: Location is on fairly level ground with a gentle slope to the S.E., and is on typical Mancos soil & gravel. Sparse sage brush, shad scale, grass and tumble weed are present.

(2) Other Surface Activities & Ownership: The land around the drill site is federal land with minerals & surface owned by the public. Inland Fuels Corp. has an oil & gas lease on the east ½ of Section 23. . The area does have some grazing by sheep. There are no powerlines, powersites, irrigation ditches, or cultivation in the area.

(3) Describe other dwellings, archaeological, historical, or cultural sites: There are no known buildings, archaeological, historical or cultural sites in the area. An abandoned railroad bed is located in Sec. 19 and 25 to the east and south of the proposed well site. Other oil and gas well drilling and production are present in the general area.

12. Operators Representative: (Address & Phone number)

W. Don Quigley, Suite 440, 57 W. So. Temple, Salt Lake City, Utah 84101
801-359-3575

13. Certification:

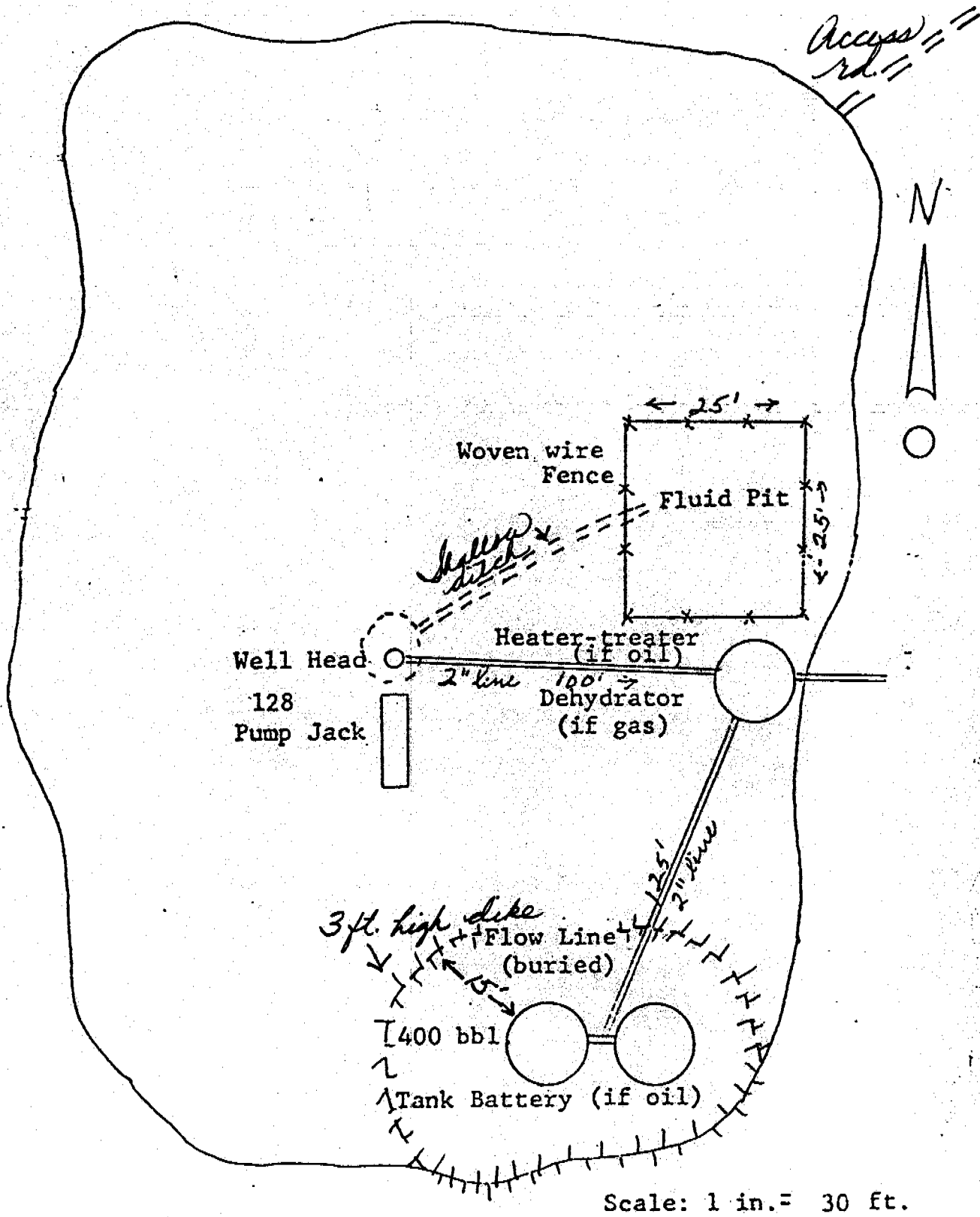
I hereby certify that I, or persons under my direct supervision, have inspected the drill site and access route; that I am familiar with the conditions which presently exist; that statements made in this plan are, to the best of my knowledge, true and correct; and that work associated with the operations proposed herein will be performed by Inland Fuels Corporation and its contractors in conformity with this plan and terms and conditions under which it is approved.

Date: April 11, 1980

Name: H. Don Gurley

Title: Consulting Geologist

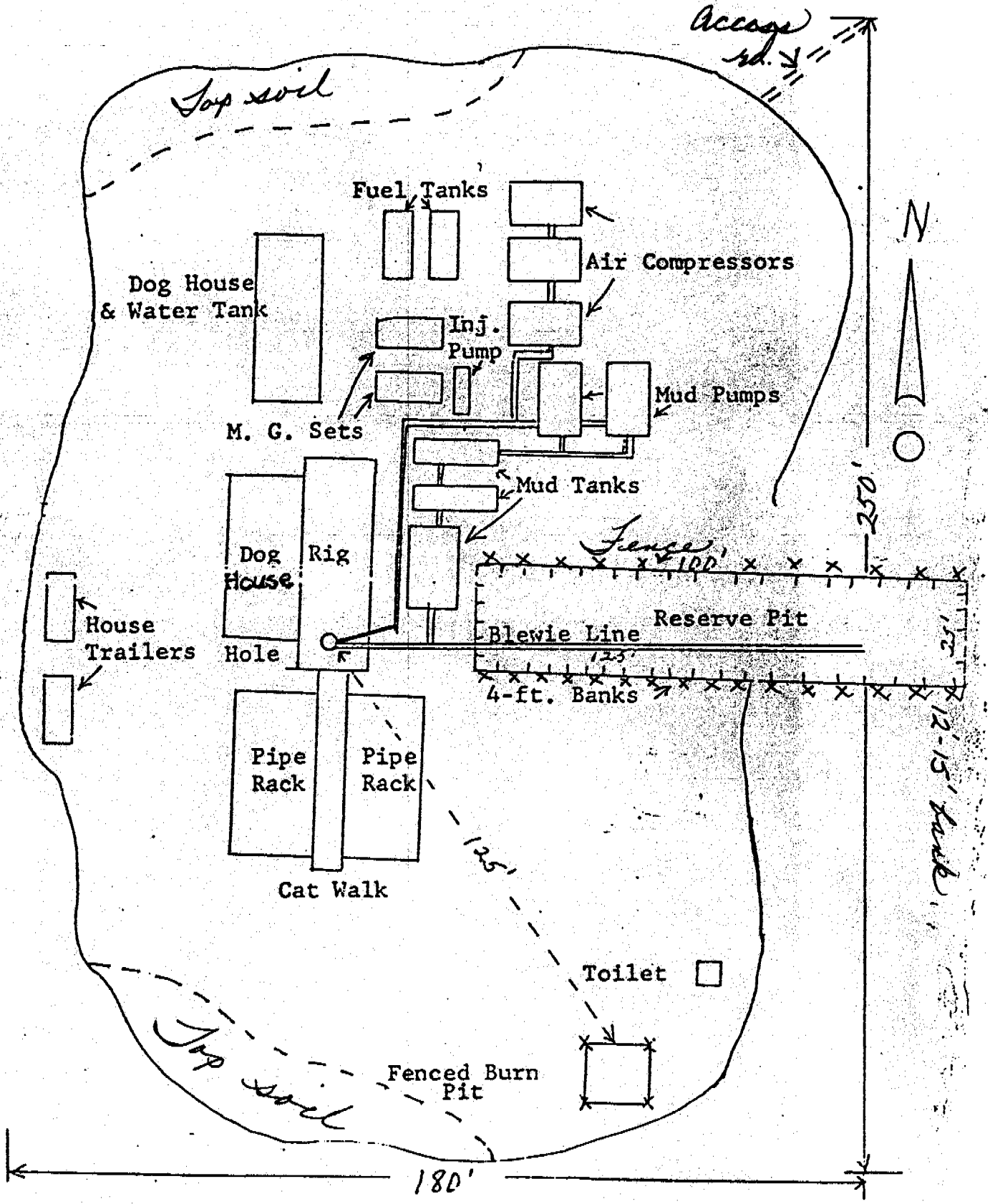
PLAN FOR PRODUCTION EQUIPMENT
INLAND FUELS CORP.
FEDERAL #23-3 WELL
NE . SE . SEC. 23-20S-23E.




Scale: 1 in.= 30 ft.

Plat No. 2

LOCATION PLAN FOR
INLAND FUELS CORP.
FEDERAL #23-3 WELL
NE. SE SEC. 23-20S-23E.




Scale: 1 in. = approx. 30 ft.

Plat No. 3

WELL CONTROL EQUIPMENT FOR
INLAND FUELS CORP.
FEDERAL #23-3 WELL
NE. SE. SEC. 23-20S-23E.
GRAND COUNTY, UTAH

The following control equipment is planned for the above designated well: (See attached diagram)

1. Surface Casing:
   A. Hole size for surface casing is 12¼".
   B. Setting depth for surface casing is approx. 200 ft.
   C. Casing specs. are: 8 5/8" O.D., K-55, 24.00#, 8 rd. thread, R-3 new or used.
   D. Anticipated pressure at setting depth is approx. 20 lbs.
   E. Casing will be run using three centralizers and a guide shoe, and will be cemented with 100 sks of cement with returns to the surface.
   F. Top of the casing will be near ground level.

2. Casing Head:

   Flange size: 10", A.P.I. Pressure rating: 2000# W.P., Series 600; Cameron, OCT, or equivalent; new or used; equipped w/two 2" ports with nipples and 2", 2000# W.P. ball or plug valves. Casing head and valves set above ground level. (A flange only may be used on top of the casing, if the B.O.P. is equipped with 2" outlets below the blind rams.)

3. Intermediate Casing:

   None

4. Blowout Preventors:
   A. Double rams; hydraulic; one set of blind rams; one set of rams for 3½" or 4" drill pipe; 10" flange; 2000# or greater W.P.; Series 900; equipped with mechanical wheels and rod for back-up; set on top of casing head flange and securely bolted down, and pressure tested for leaks up to 2000# p.s.i. A hydraulically operated hy-drill may be used in place of the above B.O.P., if equipped with 2" outlets below the rams. B.O.P. will be tested for leaks at 2000# p.s.i. prior to drilling below surface casing.
   B. Rotating Head: Shaffer, Grants or equivalent; set on top of blowout preventor and bolted securely; complete with kelly drive, pressure lubricator; 3½" or 4" rubber for

2000# W.P.; need not have hydril assembly on bottom, if a separate hydril or B.O.P. is used.

C. Fill and Kill Lines: The fill and kill lines (2" tubing or heavy duty line pipe) are to be connected thru the 2" valves on the casing head and thru a manifold to permit ready switching from the fill to kill lines.

5. Auxillary Equipment:

A float valve is to be used in the bottom drill collar at all times. A safety valve that can be used in the drill pipe will be kept within easy reach on the rig floor at all times.

6. Anticipated Pressures:

The shut-in pressures of the Dakota, Cedar Mountain, and Morrison formations at depths of 2000' to 3000' in the area have been measured at about 500# to 800# maximum. No toxic gases have ever been encountered in the area and none are anticipated.

7. Drilling Fluids:

Air will be used to drill the subject well until water is encountered, then air-soap-water mist will be used to drill the well deeper. In case of excessive caving problems, it may be necessary to convert to mud.

8. Production Casing:

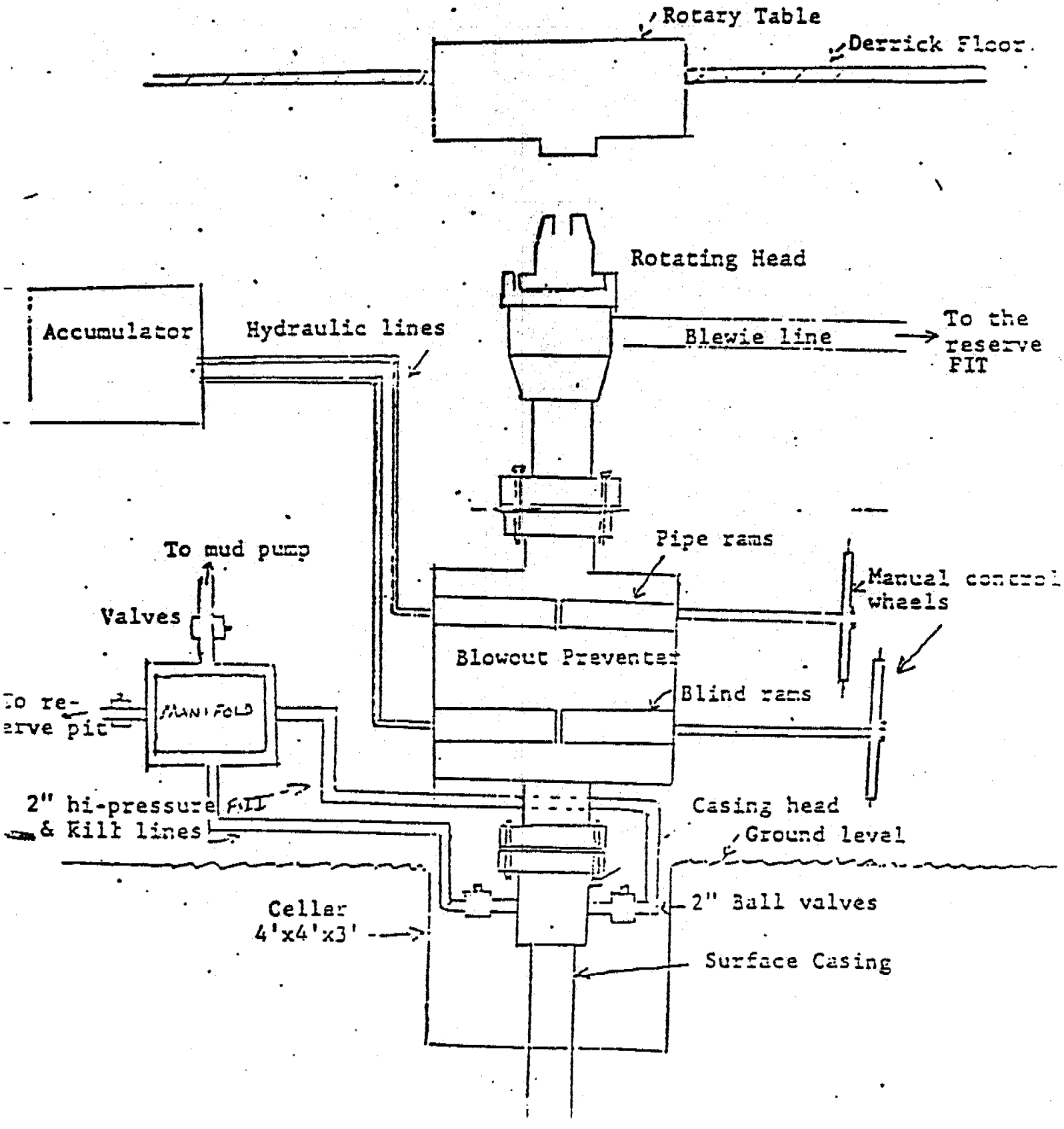
A. Hole size for production casing will be 7 7/8".
B. Approx. setting depth will be about 3500'.
C. Casing Specs. are: 4½" O.D.; K-55; 10.50#; 8-rd thread; R-3, new.
D. If good production is obtained, the casing will be run with a guide shoe at the bottom and about six centralizers and cemented conventionally with sufficient R.F.C. cement to cover 200 ft. above the top of the Dakota formation. The production zone will be perforated, 2 3/8" O.D. tubing will be run, and the well completed conventionally. In the event the production is small, it may be desirable to minimize the damage to the formation by keeping all mud and cement off the formation. In this case the procedure outlined below will be used.
E. Casing will be run with about six centralizers and a cement basket with DV tool set above the production zone.

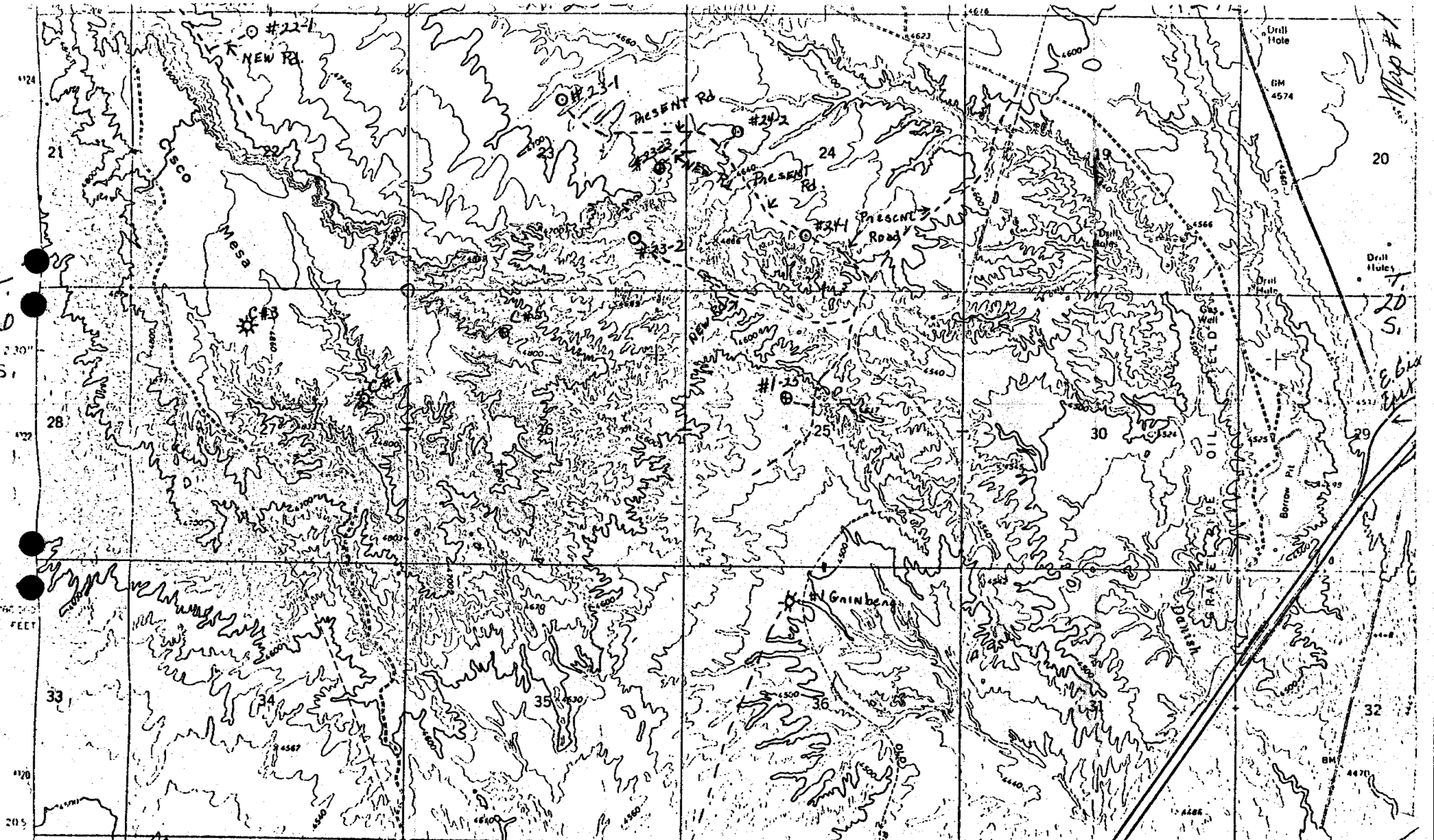
There will be sufficient casing to extend thru the production zone below the basket with a blind guide shoe on the bottom. The casing will be cemented above the packer with about 85 sks of cement (sufficient to cement thru the Dakota formation). The cement will be allowed to cure at least 48 hrs. The plug can then be drilled out and the casing perforated below the DV tool. Two inch tubing will be run and secured in the tubing head prior to perforating.

H. Don Gingley

SCHEMATIC DIAGRAM OF
CONTROL EQUIPMENT FOR THE

INLAND FUELS CORP.
FEDERAL #23-3 WELL
NE. SE. SEC. 23-20S-23E.




#22-1
NEW Rd.
#23-1
PRESENT Rd
#24-2
#23-3
NEW Rd
PRESENT Rd
#24-1
PRESENT Road
#23-2
NEW Rd
#1-25
#1 Grinberg
Drill Hole
BM 4574
Drill Holes
Drill Hole
Drill Hole
Gas Well
OIL
Borrow Pit
Danish
RAVINE
Mesa
#3
#1
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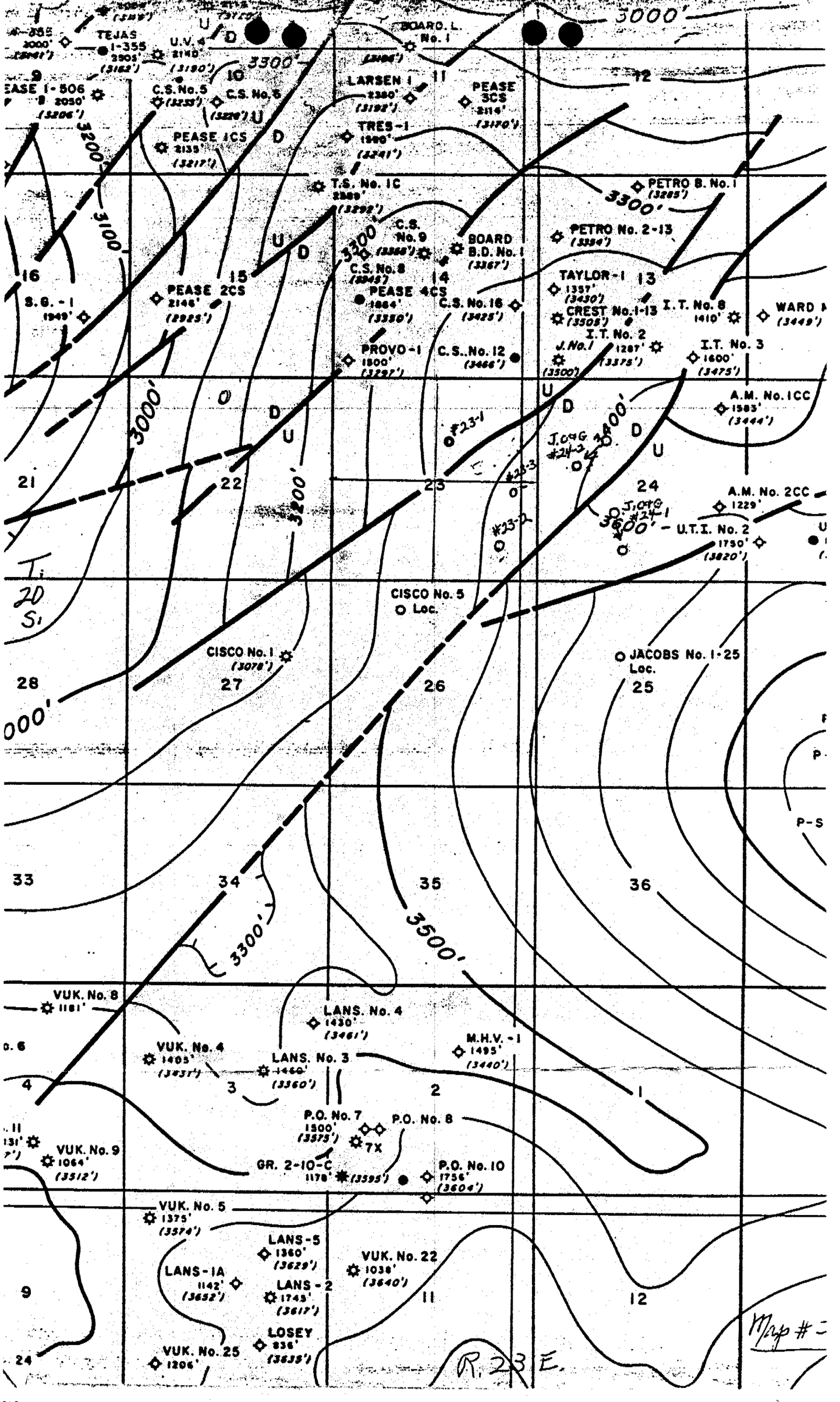
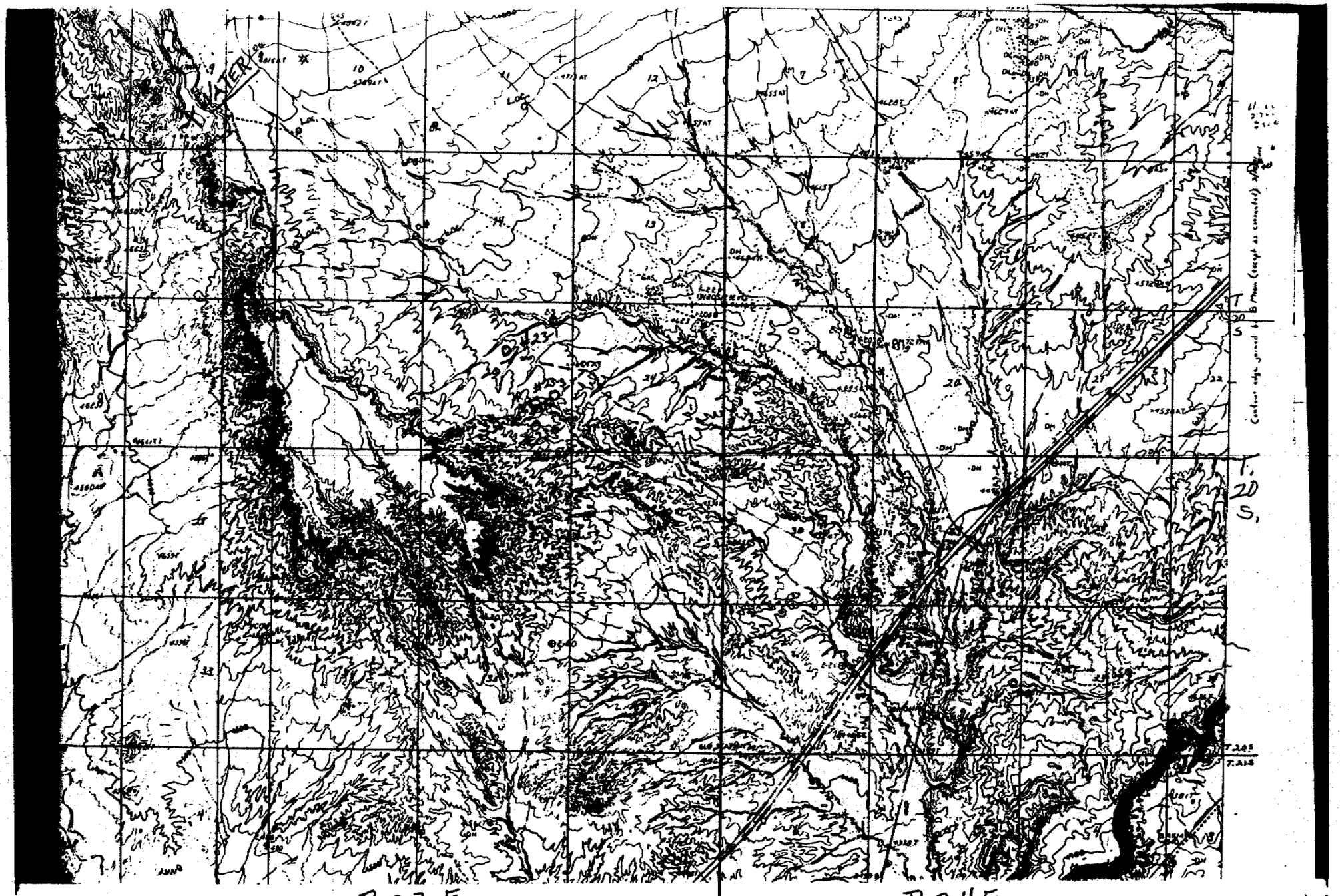
T. 20 S.
FEET


TEJAS 1-355 3505' (3162')
U.V. 4 2140' (3190')
BOARD L. No. 1 (3186')
LARSEN 1 2380' (3192')
PEASE 3CS 2114' (3170')
C.S. No. 5 (3233')
C.S. No. 6 (3220')
TRES-1 1980' (3241')
PEASE 1CS 2135' (3217')
T.S. No. 1C 2389' (3292')
PETRO B. No. 1 (3285')
PETRO No. 2-13 (3334')
C.S. No. 9 (3366')
BOARD B.D. No. 1 (3367')
C.S. No. 8 (3345')
TAYLOR-1 1357' (3430')
PEASE 4CS 1864' (3350')
C.S. No. 16 (3425')
CREST No. 1-13 (3505')
I.T. No. 8 1410'
WARD (3449')
S.G. - 1 1949'
PEASE 2CS 2148' (2925')
PROVO-1 1800' (3292')
C.S. No. 12 (3466')
I.T. No. 2 1287' (3375')
J. No. 1 (3500')
I.T. No. 3 1600' (3475')
A.M. No. 1CC 1583' (3444')
#23-1
#23-3
#23-2
#24-2
#24-1
A.M. No. 2CC 1229'
U.T.I. No. 2 1750' (3820')
CISCO No. 5 Loc.
CISCO No. 1 (3076')
JACOBS No. 1-25 Loc.
VUK. No. 8 1181'
LANS. No. 4 1430' (3461')
VUK. No. 4 1405' (3431')
LANS. No. 3 1460' (3360')
M.H.V. - 1 1495' (3440')
P.O. No. 7 1500' (3375')
P.O. No. 8
7X
VUK. No. 9 1064' (3312')
GR. 2-10-C 1178' (3395')
P.O. No. 10 1756' (3604')
VUK. No. 5 1375' (3574')
LANS-5 1360' (3629')
VUK. No. 22 1038' (3640')
LANS-1A 1142' (3652')
LANS-2 1745' (3617')
LOSEY 836' (3635')
VUK. No. 25 1206'
R. 23 E.
Map #
3000'
3100'
3200'
3300'
3400'
3500'




Map #3

Map #3

** FILE NOTATIONS **

DATE: April 15, 1980

Operator: Inland Fuels Corp.

Well No: Federal #23-3

Location: Sec. 23 T. 20S R. 23E County: Grand

File Prepared: ✓ Entered on N.I.D.: ✓

Card Indexed: ✓ Completion Sheet: ✓

✓ API Number 43-019-30631

CHECKED BY:

Geological Engineer: _____

Petroleum Engineer: 4-15-80 M.J. Munder

Director: _____

OK on gas spacing OK on lease

APPROVAL LETTER:

Bond Required: ☐ Survey Plat Required: ☐

Order No. 102-16B 11/15/80 O.K. Rule C-3 ☐

Rule C-3(c), Topographic Exception/company owns or controls acreage within a 660' radius of proposed site ☐

Lease Designation Fed Plotted on Map ✓

Approval Letter Written ✓

Utm

NL

PI

have not been spotting spuds.

April 28, 1980

Inland Fuels Corporation
2121 South Columbia
Tulsa, Oklahoma 74114

Re: Well No. Federal #23-3
Sec. 23, T. 20S, R. 23E.,
Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with the Order issued in Cause No. 102-16B dated November 15, 1979.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

MICHAEL T. MINDER - Petroleum Engineer
Office: 533-5771
Home: 876-3001

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (acquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours* after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-019-30631.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder
Petroleum Engineer

/btm
cc: USGS

*We have noticed that your spud reports are not being reported as requested, the last two being four and six months old. We would appreciate if you could report these as soon as possible after spudding has taken place.

Thank you

November 19, 1980

Inland Fuels Corporation
2121 South Columbia
Tulsa, Oklahoma 74114

RE: SEE SHEET ATTACHED FOR WELLS INVOLVED.

Gentlemen:

In reference to above mentioned well(s), considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill this well (these wells), please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan on drilling this location at a later date, please notify as such.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

Debbie Beauregard

DEBBIE BEAUREGARD
CLERK TYPIST

SHEET ATTACHMENT:

(1) Well No.Fed. #9-1
Sec. 9, T. 20S, R. 23E,
Grand County, Utah

(2) Well No. Fed. #10-1
Sec. 10, T.20S, R. 23E,
Grand County, Utah

(3) Well No. Fed. #11-3
Sec. 11, T. 20S, R. 23E,
Grand County, Utah

(4) Well No. Fed. #22-2
Sec. 22, T. 20S, R. 23E,
Grand County, Utah

(5) Well No. Fed. #23-3
Sec. 23, T. 20S, R. 23E,
Grand County, Utah

DAVID H. MONNICH
P. O. Box 5004
CARROLLTON, TEXAS 75006

December 16, 1980



Ms. Debbie Beauregard
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1588 West North Temple
Salt Lake City, Utah 84116

Dear Ms. Beauregard --

Re Well No. Fed. #9-1, Sec. 9,
Well No. Fed. #10-1, Sec 10
Well No. Fed. #11-3, Sec 11
Well No. Fed #22-2, Sec 22
Well No. Fed. #23-3, Sec 23
T. 20S, R. 23E, Grand County,
Utah

In answer to your letter of November 19, 1980 concerning the wells for which we applied to drill, we have not spudded any and are on hold until we can get further geological information. We will inform you of our plans.

Thank you.

Yours very truly,

David H. Monnich

May 19, 1981

Inland Fuels Corporation
2121 South Columbia
Tulsa, Oklahoma 74114

Re: SEE ATTACHED SHEET ON WELL DUE

Gentlemen:

Our records indicate that you have not filed the Monthly drilling reports for the months indicated above on the subject wells.

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form 9-331B, (U.S. Geological Survey Form 9-331) "Sundry NOtices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

SANDY BATES
CLERK-TYPIST

1. Well No. Federal 9-1
   Sec. 9, T. 20S. R.23E.
   Grand County, Utah
   (Janurary - April 1981)

2. Well No. Federal 10-1
   Sec. 10, T.20S. R. 23E.
   Grand County, Utah
   (Janurary - April 1981)

3. Well No. Federal 11-3
   Sec. 11, T.20S. R.23E.
   Grand County, Utah
   (Janurary - April 1981)

4. Well No. Federal 22-2
   Sec. 22, T.20S. R.23E.
   Grand County, Utah
   (Janurary - April 1981)

5. Well No.Federal 23-3
   Sec. 23, T.20S. R. 23E.
   Grand County, Utah
   (Janurary - April 1981)

6. Well No.

DAVID H. MONNICH
P. O. Box 5004
CARROLLTON, TEXAS 75006

June 5, 1981

Ms. Sandy Bates
State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
1588 West North Temple
Salt Lake City, Utah 84116

Reference: Well No. Fed. #9-1, Sec. 9,
Well No. Fed. #10-1, Sec. 10,
Well No. Fed. #11-3, Sec 11,
Well No. Fed. #22-2, Sec 22,
Well No. Fed. #23-3, Sec 23
T. 20S, R. 23E, Grand County, Utah

Dear Ms. Bates:

In answer to your letter of May 19, 1980 concerning the wells for which we applied to drill, we have abandoned plans to drill. We will reapply for drilling permits.

Yours very truly,

David H. Monnich